

**Remuneration  
report** for executive  
management of  
BEWI ASA for 2021

**BEWI**



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## 1. Overview

This remuneration report is prepared by the board of directors (“the board”) of BEWI ASA (the “company”) in accordance with Section 6-16b of the Norwegian Public Limited Liabilities Companies Act as applicable per 1 January 2021 (“NPLCA”) and the administrative regulation regarding policy and report for the remuneration of the executive management. The report contains information regarding remuneration of executive management and the board of directors for the financial year of 2021.

The report is based on the board of directors’ guidelines as outlined in the “The board of directors’ guidelines for salary and other remuneration of executive employees” which was approved by the general meeting on 3 June 2021.

## 2. Overview of the year

BEWI delivered strong growth in 2021, and almost doubled its adjusted EBITDA. The company witnessed a strong share price development in 2021 and completed a record-high number of transactions.

### Key figures

- Net sales grew by 62 per cent to EUR 748.2 million in 2021, up from 462.6 million in 2020
- Adjusted EBITDA came in at EUR 109.0 million, up from 65.0 million in 2020
- Net profit was EUR 34.4 million, up from EUR 30.0 million
- Share price increased by 229 per cent from year-end 2020 to year-end 2021

BEWI continued to demonstrate solid growth, recording revenues of EUR 748.2 million for the full year of 2021, representing a 62 per cent growth over 2020. The increase was 19.2 per cent driven by acquisitions, and 41.0 per cent came from organic growth. All segments recorded higher volumes in 2021 than 2020. In addition, significant price increases were implemented to compensate for the increased raw material prices. Adjusted EBITDA came in at EUR 109.0 million, up from EUR 65.0 million in 2020. 12.3 per cent of the increase was related to acquisitions, while most of the organic increase related to the improved styrene gross margin (GAP) in segment RAW.

BEWI completed a record-high number of transactions during the year, in line with the group strategy. Through the acquisition of Honeycomb in April, BEWI broadened its portfolio within protective packaging, offering its customers complementary and sustainable alternatives. The IZOBLOK-acquisition in July provided the group with a leading position in the market for EPP components to the automotive industry. By acquiring the Belgian insulation company Kemisol in November, the group expanded its geographic presence, while the announced transformative acquisition of Jackon, yet to be formally closed, significantly strengthens the group’s market positions. The circular business was also significantly expanded in 2021, with the acquisition of Volker Gruppe, and the minority stake of Inoplast, in addition to the investments in advanced recycling technology in Canada and the new recycling hub in Stockholm.

In August 2021, BEWI completed a refinancing of its two existing bond loans and credit facility, enabling the company to pursue further growth opportunities. The company established a Sustainable Finance Framework, including both green and sustainability-linked features, and issued sustainability-linked bonds in an amount of EUR 250 million.

### 3. Remuneration of the board of directors

#### 3.1 Board composition

At the end of 2021, the board consisted of Gunnar Syvertsen (chair), Kristina Schauman, Stig Wærnes, Anne-Lise Aukner, and Rik Dobbelaere. All the directors were re-elected at the company's annual general meeting on 3 June 2021, except Rik Dobbelaere, who replaced Per Nordlander. Rik Dobbelaere was previously on the board of BEWiSynbra Group AB, and the previous CEO of Synbra Holding, acquired by BEWI in 2018.

#### Remuneration

The board's remuneration is determined by the general meeting after receiving a proposal from the nomination committee. The remuneration is comprised of fixed payment for directorship and work in sub-committees. Directors of the board are also reimbursed for travelling expenses. The company is responsible for payment of social security taxes, as well as costs for directors' liability insurance.

**Table 1: Actual board fees paid to the board of directors in 2021 and 2020**

BEWI ASA	1 Jan 2021–31 Dec 2021			1 Sep 2020–31 Dec 2020		
	Basic salary incl. benefits/ board fees	Variable remuneration	Retirement compensation	Basic salary incl. benefits/ board fees	Variable remuneration	Retirement compensation
million EUR						
<b>Board of Directors</b>						
5 members of the board, whereof 2 women						
Gunnar Syvertsen (chairman)	0.07			0.02		
Stig Waernes	0.02			-		
Christina Schauman	0.05			0.01		
Ann-Lise Aukner	0.04			0.01		
Rik Dobbelaere	0.02			-		
<b>Total</b>	<b>0.19</b>			<b>0.05</b>		
<b>Consultancy services board members</b>						
Gunnar Syvertsen	0.10			0.02		

Table 2 below presents the remuneration to the board of directors prior to the legal restructuring in August 2020, when BEWI ASA became the new parent company of the group. The table therefore presents the composition of the board of directors when BEWiSynbra Group AB was the parent company.

**Table 2: Actual board fees paid to the board of directors first 8 months of 2020**

BEWiSynbra Group, 8 months for 2020	1 Jan 2020–31 Aug 2020		
	Basic salary incl. benefits/ board fees	Variable remuneration	Retirement compensation
million EUR			
<b>Board of Directors</b>			
6 members of the board, whereof 1 woman			
Gunnar Syvertsen (chairman)	0.03		
Christian Bekken	0.01		
Göran Vikström	0.01		
Rune Marsdal (until 2019-08-31)	-		
Bernt Thoresen (until 2019-05-31)	-		
Kristina Schauman	0.02		
Per Nordlander	0.01		
Rik Dobbelaere	0.00		
<b>Total</b>	<b>0.09</b>		
<b>Consultancy services board members</b>			
Gunnar Syvertsen	0.05		
Rik Dobbelaere	0.03		

## 4. Remuneration to the executive management

### 4.1 Executive management

The company considers the CEO, COO and CFO, as the executive management, to be covered by the term Directors under the NPLCA. The following persons are considered Directors:

- Christian Bekken, Group CEO
- Jonas Siljeskär, Group COO
- Marie Danielsson, Group CFO

### 4.2 Remuneration composition and framework

The remuneration principles and compensation elements are described in the remuneration policy for executive management. The elements include a (i) fixed base salary, (ii) pension, (iii) non-financial benefits ("fringe benefits"), (iv) variable pay and (v) a long-term incentive program (referred to as share option plan).

Directors do not receive remuneration for directorships in group companies.

Table 3 and 4 below contains an overview of the total remuneration which the Directors have received from the company in 2021 and 2020.

**Table 3: Remuneration paid to executive management in 2021 and 2020**

BEWI ASA	1 Jan 2021–31 Dec 2021			Other benefits	Retirement compensation	Total compensation	Proportion of fixed and variable pay
	million EUR	Basic salary	Short term variable pay				
<b>CEO</b>							
Christian Bekken	0.24	0.09	0.30	0.01	-	0.64	39%
<b>Other senior directors</b>							
Jonas Siljeskär	0.28	0.14	0.30	0.01	0.08	0.81	46%
Marie Danielsson	0.27	0.10	0.30	0.01	0.08	0.76	47%
<b>Total</b>	<b>0.79</b>	<b>0.33</b>	<b>0.90</b>	<b>0.03</b>	<b>0.16</b>	<b>2.21</b>	

  

BEWI ASA	1 Jan 2020–31 Dec 2020			Other benefits	Retirement compensation	Total compensation	Proportion of fixed and variable pay
	million EUR	Basic salary	Short term variable pay				
<b>CEO</b>							
Christian Bekken <sup>2</sup>	0.06	0.02		0.01		0.09	78%
<b>Other senior directors</b>							
Jonas Siljeskär <sup>2</sup>	0.09	0.07		0.01	0.02	0.19	63%
Marie Danielsson	0.10	0.20		0.01	0.02	0.33	39%
<b>Total</b>	<b>0.25</b>	<b>0.29</b>		<b>0.03</b>	<b>0.04</b>	<b>0.61</b>	

<sup>1</sup> The amount for the Long-term variable pay included in the table above corresponds to the difference between the share price and strike price as of 31 December 2021 multiplied by the number of options vested during the year.

<sup>2</sup> 2020 remuneration from 1.9 to 31.12

Table 4 below presents the remuneration to senior directors and the board of directors prior to the legal restructuring in August 2020, when BEWI ASA became the new parent company of the group. The table therefore presents the composition of senior executives when BEWiSynbra Group AB was the parent company.

**Table 4: Remuneration paid to executive management first 8 months of 2020**

million EUR	1 Jan 2020–31 Aug 2020		Retirement compensation
	Basic salary incl. benefits	Variable remuneration	
Jonas Siljeskär	0.18	0.03	0.06
Other senior directors	0.30	0.03	0.10
<b>Total</b>	<b>0.48</b>	<b>0.06</b>	<b>0.16</b>

The variable pay programme is based on compensation accrued from performance related variable pay and is paid the year following the accruing year. See section 5.1 for further information.

### 4.3 Share-option plan

On 19 November 2020, the board of BEWI adopted a share option plan comprising the executive management and other key employees of the company. The programme was resolved based on the approval by the extraordinary general meeting on 16 November 2020 to authorise the board to issue new shares to employees under a long-term incentive programme. The aggregate number of options under the plan shall never exceed two (2) per cent of the outstanding shares of the company, including options already outstanding.

The purpose of the share option plan is to further align the interests of the company and its shareholders. The awards of options shall give an interest in the company parallel to that of the shareholders, enhancing the interests of the executives to the company's continued long-term success and progress and motivate for individual contributions. The share option shall enable the company to attract and retain the executive employees and other key employees.

The strike price was set as the market price at the time of the grant of the options plus 10 per cent, to ensure that only value creation from allocation onwards was rewarded. The options vests with 20 per cent per after one year, 30 per cent after two years, and with 50 per cent three years after granted, provided the participant is still employed. The option lapses and becomes void after a period of 5 years. If the employee resigns from his or her position with the company, all unvested options will lapse and becomes void. The maximum profit gain from awarded options under the plan, is capped according to an agreement between the employee and the company. On 19 November 2021, the first 20 per cent of the options granted became available for the participants with an exercise window from 24 February until 2 March 2022.

Table 5: Long term incentive programme (share-option plan)

The main conditions of share option plans								Information regarding the reported financial year					
1 Specification of plan <sup>1</sup>	2 Performance period	3 Award date	4 Vesting date <sup>2</sup>	5 End of holding period <sup>2</sup>	6 Exercise period <sup>2</sup>	7 Strike price of the share <sup>3</sup>	Opening balance	During the year		Closing balance			
							8 Share options awarded at the beginning of the year	9 Share options awarded	10 Share options vested	11 Share options subject to performance condition	12 Share options awarded and unvested <sup>4</sup>	13 Share options subject to holding period	
Christian Bekken (CEO)	1	19.11.2020- 19.11.2021	19.11.2020	19.11.2021	19.11.2025	19.11.2021- 19.11.2025	24.06	50 000	-	50 000	-	-	50 000
	1	19.11.2020- 19.11.2022	19.11.2020	19.11.2022	19.11.2025	19.11.2022- 19.11.2025	24.06	75 000	-	-	-	75 000	-
	1	19.11.2020- 19.11.2023	19.11.2020	19.11.2023	19.11.2025	19.11.2023- 19.11.2025	24.06	125 000	-	-	-	125 000	-
								<b>250 000</b>	<b>-</b>	<b>50 000</b>	<b>-</b>	<b>200 000</b>	<b>50 000</b>
Jonas Siljeskär (COO)	1	19.11.2020- 19.11.2021	19.11.2020	19.11.2021	19.11.2025	19.11.2021- 19.11.2025	24.06	50 000	-	50 000	-	-	50 000
	1	19.11.2020- 19.11.2022	19.11.2020	19.11.2022	19.11.2025	19.11.2022- 19.11.2025	24.06	75 000	-	-	-	75 000	-
	1	19.11.2020- 19.11.2023	19.11.2020	19.11.2023	19.11.2025	19.11.2023- 19.11.2025	24.06	125 000	-	-	-	125 000	-
								<b>250 000</b>	<b>-</b>	<b>50 000</b>	<b>-</b>	<b>200 000</b>	<b>50 000</b>
Marie Danielsson (CFO)	1	19.11.2020- 19.11.2021	19.11.2020	19.11.2021	19.11.2025	19.11.2021- 19.11.2025	24.06	50 000	-	50 000	-	-	50 000
	1	19.11.2020- 19.11.2022	19.11.2020	19.11.2022	19.11.2025	19.11.2022- 19.11.2025	24.06	75 000	-	-	-	75 000	-
	1	19.11.2020- 19.11.2023	19.11.2020	19.11.2023	19.11.2025	19.11.2023- 19.11.2025	24.06	125 000	-	-	-	125 000	-
								<b>250 000</b>	<b>-</b>	<b>50 000</b>	<b>-</b>	<b>200 000</b>	<b>50 000</b>
								<b>750 000</b>		<b>150 000</b>	<b>-</b>	<b>600 000</b>	<b>150 000</b>

<sup>1</sup> Plan 1 refers to the plan adopted by the board on 19 November 2020.

<sup>2</sup> 20 per cent of plan adopted on 19 November 2020 vest on 19 November 2021, 30 per cent on 19 November 2022 and 50 per cent on 19 November 2023. The options are however only exercisable during a window period after the release of the quarterly reports for the fourth and second quarters. Options that are not exercised after five years from the award date will lapse and become void.

<sup>3</sup> Strike price at the time of award for the plan adopted on 19 November 2020 was 24.48 NOK. The strike price is adjusted for, inter alia, dividends paid. By 31 December 2021 the strike price was 24.06 NOK.

<sup>4</sup> In March 2022 Christian Bekken and Jonas Siljeskär exercised 50 000 options respectively of those options vested in 2021.

## 5. Compliance with remuneration policy

The directors are compensated based on individual criteria, including each executive's role, experience, and competence. All executives are evaluated yearly as part of the company's Performance and Development Dialogue (PDD). The total compensation level targets to attracting and retaining executives, and to maintain a compensation level which for each individual is competitive compared to market conditions for the relevant position and individual.

### 5.1 Variable pay

The variable incentive pay programme for the executive management team is built on four criteria with the objective to encourage achievement of financial- and operational targets. The variable pay programme is based on defined and measurable criteria, including financial targets, targets linked to strategic priorities and targets linked to health and safety. The variable incentive pay programme is capped at 50 per cent of annual base salary for the CEO and the COO and 40 per cent of annual base salary for the CFO.

Criteria:

1. Adjusted EBITDA: 50 per cent of maximum is based on the group's adjusted EBITDA targets, calculated with a linear scale from 95 per cent to 105 per cent of budgeted target.
2. Fixed cost: 10 per cent of maximum is related to development of fixed cost for the group with a maximum pay-out if an improvement of 3 per cent of budgeted targets has been achieved, calculated with a linear scale from 100 per cent to 97 per cent of budgeted fixed cost targets.
3. Health & Safety: 10 per cent of maximum, related to health and safety targets with focus on number of accidents and absence due to accidents. Criteria for pay-out is equal to improvement compared to previous year (2020).
4. Personal objectives: 30 per cent of maximum is related to the personal objectives. For the CEO, the objectives are set and evaluated by the chairman of the board, while the personal objectives for the CFO and COO are set and evaluated by the CEO.

**Table 6: Remuneration to directors according to the variable pay programme**

Name	Function	EBITDA	Fixed cost	Health & Safety	Personal objectives	Total	Maximum
Christian Bekken	CEO	25%	0%	5%	6%	36.0%	50%
Jonas Siljeskär	COO	25%	0%	5%	13.50%	43,5%	50%
Marie Danielsson	CFO	20%	0%	4%	11.60%	35.6%	40%



## 6. Derogation from remuneration policy

### Variable pay programme

As stated in the remuneration policy, the directors are entitled to receive a cash bonus as outlined in the variable incentive pay programme with established criteria that reflects key drivers to pursue BEWI's strategic priorities, as well as achieving financial and sustainability targets.

All bonuses under the variable incentive pay programme were accrued for in the 2021 financial statement and inline with the remuneration policy

## 7. Comparative information on the changes of remuneration and group performance

Table 7 below includes information on the annual change of remuneration for each director, as well as the average salary increase in per cent following the collective agreement for employees in Norway under the "Kjemisk Teknisk överenskomst" (avtale nr.106), as well as the performance of the group over the last five financial years.

**Table 7: Information on annual change of remuneration and average salary increase**

Name	Function	2021	2020	2019	2018	2017
Christian Bekken	CEO	38%	-4%	25%	18%	-6%
Jonas Siljeskär	COO	8%	48%	24%	56%	2%
Marie Danielsson	CFO	-14%	112%	-30%	100%	-2%
<b>Company performance</b>						
Net sales	Annual percentage change	62%	8%	13%	95%	15%
Adj. EBITDA	Annual percentage change	68%	25%	68%	171%	-11%
Adj. EBITDA margin (%)		14.6%	14.0%	12.1%	8.1%	5.9%
Salary increase according to collective agreement Kjemisk Teknisk overenskomst (avtale nr. 106)		2.11%	1.72%	2.05%	2.40%	1.21%

Due to large changes in the BEWI organization as a consequence of mergers and divestures, comparable salary data of own employees has not been reported.

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## 8. Statement by the board of directors

The board of directors has today considered and adopted the Remuneration report for executive management of BEWI ASA for the financial year 2021. The Remuneration report have been prepared in accordance with section 6-16b of the Norwegian Public Limited Liability Companies Act. The Remuneration report will be presented for an advisory vote at the Annual General Meeting in 2022.

Trondheim, Norway, 11 May 2022

The board of directors of BEWI ASA

Gunnar Syvertsen  
*Chair of the Board*

Anne-Lise Aukner  
*Director*

Rik Dobbelaere  
*Director*

Stig Wærnes  
*Director*

Kristina Schauman  
*Director*

To the General Meeting of BEWI ASA



## Independent auditor's assurance report on report on salary and other remuneration to directors

### Opinion

We have performed an assurance engagement to obtain reasonable assurance that BEWI ASA report on salary and other remuneration to directors (the remuneration report) for the financial year ended 31 December 2021 has been prepared in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

In our opinion, the remuneration report has been prepared, in all material respects, in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

### Board of directors' responsibilities

The board of directors is responsible for the preparation of the remuneration report and that it contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and for such internal control as the board of directors determines

is necessary for the preparation of a remuneration report that is free from material misstatements, whether due to fraud or error.

### Our independence and quality control

We are independent of the company as required by laws and regulations and the International Ethics Standards Board for Accountants' Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. Our firm applies International Standard on Quality Control 1 (ISQC 1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Auditor's responsibilities

Our responsibility is to express an opinion on whether the remuneration report contains the

information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and that the information in the remuneration report is free from material misstatements. We conducted our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – "Assurance engagements other than audits or reviews of historical financial information".

We obtained an understanding of the remuneration policy approved by the general meeting. Our procedures included obtaining an understanding of the internal control relevant to the preparation of the remuneration report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. Further we performed procedures to ensure completeness and accuracy of the information provided in the remuneration report, including whether it contains the information required by the law and accompanying regulation. We believe that the evidence we have

obtained is sufficient and appropriate to provide a basis for our opinion.

Trondheim, 11 May 2022  
PricewaterhouseCoopers AS

Kjetil Smørðal  
State Authorised Public Accountant

(This document is signed electronically)

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*for a better everyday*

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